16th March 1955]

THE HON. SRI A. B. SHETTY :—" (a) The Madras Co-operative Advisory Councils has recommended the following twin proposals :—

(i) Organization of Rural Co-operative Banks in one or two select rural or semi-urban Centres in each Deputy Registrar's circle, and

(ii) acceptance of the medium term loan of Rs. 24 lakhs offered by the Government of India for 1954–55.

" (b) The recommendations are under consideration."

Subsidy to owners of calves in Madras City.

* 1378 Q.—

MR. SPEAKER :—" The question and answer will be printed in the proceedings, as the hon. Member is not in his place."

SRI M. JAGANNATHAN : Will the Hon. the Minister for Agriculture be pleased to state—

(a) when the scheme for granting subsidy to owners of calves in Madras City was started;

(b) when the scheme was terminated; and

(c) the reasons therefor?

THE HON. SRI M. BHAKTAVATSALAM :—" (a) The scheme was sanctioned in February 1945 and it started functioning from 1945–46.

" (b) The scheme was discontinued from the year 1952–53.

" (c) The Government consider that the scheme had been in force sufficiently long and that its further continuance was not necessary since the milkmen were then in a better position to look after their calves to their own advantage."

Levy of sales tax on " works contracts ".

* 1379 Q.—SRI K. P. GOPALAN (on behalf of Sri V. R. Krishna Ayyar) : Will the Hon. the Minister for Revenue be pleased to state whether the Government have issued any orders directing the collection of sales tax from contractors executing contracts for engineering works notwithstanding the decision of the Madras High Court in March 1954 to the effect that such levy is invalid and illegal?

THE HON. SRI M. A. MANICKAVELU :—" The Government have preferred an appeal in the Supreme Court against the judgment of the Madras High Court relating to the levy of sales tax on ' Works Contracts '. Pending disposal of the appeal, they have issued instructions to the Commercial Taxes Department officials to keep pending all assessments, appeals and revision petitions relating to ' building contracts ' only. Sales tax continues to be levied under the Madras General Sales Tax Act, 1939, in respect of all other kinds of ' works contracts ', as they are not covered by the High Court's judgment."